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LAWRENCE G. WASDEN
 Attorney General

JOSEPH B. JONES
 Deputy Attorney General
 State of Idaho
 Department of Finance
 P.O. Box 83720
 Boise, ID 83720-0031
 Telephone: (208) 332-8000
 Facsimile: (208) 332-8099
 Idaho State Bar #2768

IN THE DISTRICT COURT OF THE FOURTH JUDICIAL DISTRICT
 OF THE STATE OF IDAHO, IN AND FOR ADA COUNTY

STATE OF IDAHO, DEPARTMENT OF
 FINANCE, SECURITIES BUREAU,

Plaintiff,

vs.

LEADER CAPITAL CORPORATION, and
 JOHN E. LEKAS,

Defendants.

Civil No. CV OC 0402797D

STIPULATION

The Plaintiff, the State of Idaho, Department of Finance, Securities Bureau, and the Defendants LEADER CAPITAL CORPORATION and JOHN E. LEKAS, hereby agree and stipulate as follows:

1. Defendants John E. Lekas and Leader Capital Corporation neither admit nor deny the

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allegations in Plaintiff's Verified Complaint.

2. Defendant John E. Lekas shall be dismissed from this suit, *without prejudice*.
3. Defendant Leader Capital Corporation shall pay to the Plaintiff the sum of \$12,825.00, as restitution for the benefit of LaRene Berthelson and James and Berry Porter.
4. Defendant Leader Capital Corporation shall pay to the Plaintiff the additional sum of \$20,000.00, as civil penalties, pursuant to Idaho Code § 30-1442(3)(b).
5. Defendant Leader Capital Corporation shall pay Plaintiff's expert witness fees incurred.
6. The foregoing monetary sums shall be paid to the Plaintiff within thirty (30) days from the court's entry of a judgment incorporating the terms of this stipulation.
7. The court shall enter judgment against Defendant Leader Capital Corporation, enjoining it against future violations of Idaho's securities laws, pursuant to Idaho Code § 30-1442.
8. The court shall enter a judgment in this matter, with the form and content of the proposed Judgment, which is attached as Exhibit "A" to this Stipulation.

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DATED this 28th day of April, 2005

STATE OF IDAHO, DEPARTMENT OF
FINANCE, SECURITIES BUREAUBy: Marilyn Chastain
Marilyn Chastain, Bureau Chief

APPROVED AS TO FORM:

Joseph B. Jones
Joseph B. Jones, Deputy Attorney GeneralDate: April 28th, 2005DEFENDANTS LEADER CAPITAL
CORPORATION AND JOHN E. LEKASBy: John E. Lekas 4/28/05
John E. Lekas

APPROVED AS TO FORM:

Michael O. Roe
Michael O. Roe, Attorney for Defendants

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